

PATENT

THE UNITED STATES PATENT AND TRADEMARK OFFICE

In the Application of:

Applicant : McCown et al.
 Serial No. : 09/057,313
 Date Filed : April 8, 1998
 Title : CONTAINER TRANSPORTATION SYSTEM AND METHOD
 Docket No. : 033449-002
 Examiner : McAllister
 Art Unit : 3652

Assistant Commissioner for Patents
 Washington, D.C. 20231

DECLARATION UNDER 37 C.F.R. §1.132

Ralph W. Heim declares and states that:

1. He is President and Chief Operating Officer of Trailer Bridge, Inc., the assignee of the above-identified patent application. He has reviewed and is familiar with the above-identified patent application.

2. He has served as President of Trailer Bridge, Inc. since November 1995 and Chief Operating Officer since January 1992. From May 1991 until November 1995, he served as Vice President of Trailer Bridge, Inc. Prior to joining Trailer Bridge in 1991, he worked at Crowley Maritime Corporation for five years in various capacities. His other transportation experience includes more than 15 years with Sea-Land, Puerto Rico Marine Management and U.S. Lines in diverse domestic and international positions. He graduated from Jacksonville University with a B.S. in Business Management.

3. In order to accommodate the weight of fully loaded reach stackers, vessels utilized in the system and method of the present invention must have decks that are reinforced to have weight-bearing limits beyond that of a typical deck of a vessel.

4. In order to accommodate the weight and size of fully loaded reach stackers, ramps utilized in the system and method of the present invention must be reinforced and widened to have weight-bearing limits and widths beyond those of typical ramps used for loading/unloading vessels.

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5. The invention defined in the claims of this application is known and referred to at Trailer Bridge, Inc. as the "TBC System." Attachment A is a listing of gross revenue generated by operation of the TBC System and the number of equivalent units shipped under the TBC System from about mid 1998 through about mid 2003. As can be seen in Attachment A, the TBC System generated gross yearly revenues as follows:

1998 (last 30 weeks)	: \$15,143,058
1999	: \$29,800,511
2000	: \$28,803,313
2001	: \$24,739,840
2002	: \$28,378,027
<u>2003 (first 31 weeks)</u>	<u>: \$19,741,69</u>
TOTAL 1998-2003	: \$146,606,447

6. As can be seen in Attachment A, the number of equivalent units shipped under the TBC System is as follows:

1998 (first 30 weeks)	: 6,782
1999	: 13,895
2000	: 13,826
2001	: 12,384
2002	: 14,008
<u>2003 (first 31 weeks)</u>	<u>: 9,922</u>
TOTAL 1998-2003	: 70,817

An equivalent unit is a module loaded with 3 cars, or an equivalent shipping container.

7. Trailer Bridge has spent the following for advertising the benefits of the TBC System:

1998 (first 30 weeks)	: \$167,760
1999	: \$106,331
2000	: \$209,939
2001	: \$160,790
2002	: \$64,691

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2003 (first 31 weeks) : \$12,565

TOTAL 1998-2003 : \$722,076

8. Attachment B is a list of customers that have utilized the TBC System offered by Trailer Bridge, Inc, the owner of the above-identified patent application. The list includes such customers as 3M, Caterpillar, Chrysler, Coca Cola, Dow Chemical, General Electric, General Motors, Georgia Pacific, Hewlett Packard, Isuzu, Kraft General Foods, Mercedes Benz, Procter & Gamble, UPS and Wal-Mart.

9. The TBC System provides a present marine cost, including terminal costs, of about \$400 per forty-foot equivalent unit (FEU) for shipping in the Puerto Rico lane (i.e. from Jacksonville, Florida to Puerto Rico). This figure of \$400 per FEU in the Puerto Rico lane is believed to be significantly lower (up to about 20%) than cost per FEU in the Puerto Rico lane for competitors or alternatives to the TBC System. The cost per FEU of the TBC System is attributable to the features of the claimed invention, including the feature of driving loading vehicles onto the vessels.

10. In my professional opinion, the commercial success of the TBC system is largely due to the low cost per FEU benefits provided by the TBC system, and not due to any other factor including shipping locations and advertising.

11. Prior to the present invention, there was a long-felt need in the shipping industry for systems or methods for loading and unloading containers to and from marine vessels without requiring the use of cranes or "roll-on roll-off" processes, both of which require significant space and capital expenditure.

12. The present invention provides a system for loading and unloading containers to and from marine vessels which can be implemented by reach stackers and does not require the use of cranes or the roll-on and roll-off process. Reach stackers are in general much cheaper and more mobile than cranes, and require less space than the roll-on and roll-off process.

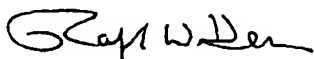
13. The present invention enables containers, including 53 foot long containers, to be loaded and unloaded to and from marine vessels using reach stackers. Thus, the system of the present invention essentially extends the chain of commerce for shipping of 53 foot long and

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other containers to docks which do not have cranes or roll-on roll-off arrangement, or docks which are not capable of accommodating cranes or roll-on roll-off arrangements.

14. The present invention allows the loading and unloading of containers to and from marine vessels to be implemented at docks with low expenditure, little infrastructure, little space and allows loaded vessels to load from and unload to otherwise inaccessible ports.

I hereby declare that all statements herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.



Ralph W. Heim

Date: October 1, 2003

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